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Economic statistics: other economic statistics

Report of city groups

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of seven city groups in the economic statistics area, which are contained in the annex. The report is transmitted to the Commission in accordance with a request of the Statistical Commission at its twenty-ninth session,[1] and a request of the Working Group on International Statistical Programmes and Coordination at its nineteenth session (E/CN.3/1999/20, para. 13).

The Statistical Commission at its twenty-ninth session (10–14 February 1997), as well as the Working Group at its nineteenth session (10–13 February 1998) reviewed the programmes outlined by various groups in the area of economic statistics and broadly agreed with the proposed future activities. The Working Group encouraged the groups to report more substantively to the Statistical Commission.

A standardized reporting format has been used, which is also expected to facilitate updating the city group Web site established on the United Nations Statistics Division home page (<http://www.un.org/Depts/unsd>). The city group Web site includes information on the groups included in the present report, as well as information on other groups active in the social, environmental and other areas (see also E/CN.3/1999/11; E/CN.3/1999/13; E/CN.3/1999/15; E/CN.3/1999/18; E/CN.3/1999/26).

The Statistical Commission is invited to discuss whether the mandates of the various groups are focused and whether their objectives are clear and attainable. The Commission may also wish to comment on the proposals for future work.

Notes

[1] See *Official Records of the Economic and Social Council, 1997, Supplement No. 4* (E/1997/24), para. 13.

* E/CN.3/1999/1.

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Annex

Report by the city groups

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I. Canberra Group on Household Income Statistics

Purpose

The primary objective is to enhance national household income statistics by developing relevant standards on conceptual and practical issues. The development and implementation of international guidelines and standards will improve international comparability. The Group was established to address the common conceptual, definitional and practical problems that national statistical offices are facing in the area of household income distribution statistics. Its work is preparatory to a revision of the international guidelines on income distribution.

Year organized

1996.

Participants

Australia, Canada, China, Finland, India, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Republic of Korea, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America, Economic Commission for Latin America and the Caribbean, Statistical Office of the European Communities, Inter-American Development Bank, International Labour Organization, Organisation for Economic Cooperation and Development, Luxembourg Income Study Group at the Centre for Population, Poverty and Public Policy Studies/International Networks for Studies in Technology, Environment, Alternatives, Development.

Meetings

First meeting: Canberra, 2–4 December 1996.

Second meeting: Voorburg, the Netherlands, 9–11 March 1998.

Topics considered

Data sources, methodology and quality; measures of income inequality; international comparability; statistical units: concepts, definitions and use; development of a hierarchy of income concepts and definitions; reconciliation with national accounts and other national aggregates; measurement of self-employment income; and revision of present international guidelines.

Products

Papers and final reports of the two previous meetings can be found on the Canberra Group's Web site at:

http://lissy.ceps.lu/canberra.htm

Planned activities

A third meeting will be held at Ottawa in June 1999, hosted by Statistics Canada. Topics for the third meeting include documentation on methodology and quality of income statistics, recommendations on statistical units and on income concepts.

Expected future products (dates)

Summary of proceedings and contributed papers of the third meeting, approximately September 1999.

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II. Delhi Group on Informal Sector Statistics

Purpose

To exchange experience in measuring the unorganized or informal sector of the economy, and to prepare a status report and proposals for future work. The objective is to document the data-collection practices in the informal sector that are followed by member countries, and to develop suitable methodologies for survey design and data collection in that sector, taking into account the System of National Accounts, 1993 and the resolutions of the International Conference of Labour Statisticians.

Year organized

1997.

Participants

First meeting: the meeting was attended by 37 participants from eight countries: Australia, Bangladesh, Brazil, Colombia, India, Mexico, Sri Lanka and Turkey. In addition, representatives from the International Labour Organization (ILO), the United Nations Statistics Division, the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Asian Development Bank also participated.

Second meeting: the meeting was attended by 35 participants from nine countries — Armenia, Australia, Colombia, India, Mexico, Nigeria, Poland, Turkey and Zambia — as well as five international organizations — Economic Commission for Latin America and Caribbean, ESCAP, the ILO, the Statistical Institute for Asia and the Pacific, the United Nations Statistics Division and a number of other institutions, namely Harvard Institute for International Development, Women in Employment Globalizing and Organizing, the French Scientific Research Institute for Development and Cooperation and the Self-Employed Women's Association.

Meetings

First meeting: New Delhi, 20–22 May 1997.

Second meeting: Ankara, 28–30 April 1998.

Topics considered

First meeting: apart from finalization of terms of reference of Delhi Group, participating countries presented country papers on the practices followed in their countries for collection of data and present status of data on informal sector statistics. International organizations also apprised of their recent activities in this area.

Second meeting: discussions mainly focused on current status of data on informal sector and its limitations; country profile; informal sector; definition, operationalization, delineation, classification and sub-classifications; survey design; area sampling frame and sample design, mixed household and enterprise survey; problems in collection of data and quality aspects; contribution of informal sector in terms of employment, value addition, capital formation etc. in the national economy; and social security of the workers in informal and unorganized sector.

Products

Report of the first meeting.

Report of the second meeting.

Planned activities

Pursuant to the recommendations of the second meeting, work on the following projects is in progress:

(a) Current stocktaking existing country practices and conducting of periodic inventories in future years, including measures of employment and gross domestic product by industry sector and gender statistics (where available). Project member: the ILO, in cooperation with the United Nations Statistics Division;

(b) Clarifying and operationalizing the System of National Accounts international definition for national accounts and international comparison purposes. Project members: Australia, Colombia, Mexico, Turkey (Mr. Yusuf Yardimici), the ILO, Mr. Predrero and Mr. Charmes;

(c) Developing strategies to address sample frame and weighting issues. Project members: India, Mexico and Nigeria;

(d) Investigation of quality assurance methods for non-sampling areas (e.g., post enumeration studies). Project members: Nigeria and the ILO;

(e) Investigating and developing an appropriate methodology to develop more accurate measures of value added. Project members: Armenia, Turkey, University of Mexico, the United Nations Statistics Division and Mr. Ferran.

Future programme

Earlier, it was decided to hold the next meeting of the Delhi Group at ILO headquarters at Geneva from 16 to 20 October 1998 after the International Conference of Labour Statisticians. The meeting has since been postponed at the request of the project teams since the work on different projects is still in progress. The next meeting is expected to be held in March 1999.

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III. Expert Group on Capital Stock Statistics

Purpose

1. To clarify the conceptual issues underpinning capital stocks and flows.

2. To exchange research and experience related to the problems of capital stock and flow measurement.

Year organized

1997.

Participants

Countries

Australia, Canada, Czech Republic, Denmark, Finland, France, Germany, Indonesia, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Republic of Korea, Russian Federation, Singapore, South Africa, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

International agencies

International Monetary Fund, Organisation for Economic Cooperation and Development (OECD), Economic Commission for Europe, United Nations Statistics Division, World Bank.

Expert advisers

Erwin Diewert, Peter Hill, Jack Triplett.

Meetings

Canberra, 10–14 March 1997.

Paris, 29 September – 2 October 1998.

Washington, D.C., November 1999 (dates to be confirmed).

Topics considered

Measurement practices of participating countries; concepts of capital stocks and flows; practice and problems of perpetual inventory method; alternative approaches to measuring capital stock, primarily direct collection; commercial accounting issues; current price and volume measures; balance of fixed assets and capital stock estimation in transition countries; experience with multi-factor productivity; new measures of capital related to the extension of the asset boundary as recommended by the System of National Accounts, (1993 SNA); balance sheet issues; and international comparability and cooperation.

Products

Documents and final reports of the 1997 and 1998 meeting are available on the Web site (see below).

The Group has agreed to develop, by the end of 1999, a handbook on capital stock and flow measurement that would cover both conceptual issues and suggested best practices in compilation. The handbook, which will be published by OECD, will be part of the reference documentation on the 1993 SNA.

Planned activities

The Group has agreed on the outline of the handbook on measurement of capital stocks and flows. The outline is available on the Web site. The handbook is being drafted over the period November 1998 to end-May 1999. Group participants and others interested in the subject will have the period June to end-August 1999 in which to comment on the draft manual, which will be available on the Web site. The manual will be redrafted in the light of comments received by mid-October 1999. That draft of the manual will form the basis for discussion at the third and final meeting of the Group, to be held in November 1999.

Expected future products (dates)

A handbook on the measurement of capital stocks and flows is expected to be published in early 2000.

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IV. Expert Group on Intangibles

As part of the discussions on critical issues in statistics, the United Kingdom of Great Britain and Northern Ireland prepared an issues paper on intangibles, and suggested that the various topics identified should be taken forward via an electronic discussion group. Further consideration has suggested that some partitioning of the full set of issues originally listed may facilitate progress in more narrowly defined fields.

Intangible assets

One set of issues concerned the identification and evaluation of intangible assets. The System of National Accounts, 1993 suggests that these should be included alongside tangible assets, but because this is a new field for most national accountants more specific guidance, of the type to be found in a handbook, would be helpful. After discussion between the Office for National Statistics of the United Kingdom and the Organisation for Economic Cooperation and Development (OECD), the latter agreed to set up and moderate an electronic discussion group on this set of issues. Work going on in OECD related to the Frascati family of manuals on research and development, other intangibles (training and human resources, organizational change, for example) and to new science and technology indicators (estimation of the value of innovation, for example) is highly relevant. The OECD Directorate for Science, Technology and Industry has recently made available a set of 15 papers and a detailed bibliography that summarizes the evolution of the various strands of this work over several years (at http:\\www.oecd.org/dsti/sti/industry/ indcomp/prod/ intang.htm). The electronic discussion group will refer to this material, as well as to material from those concerned with the development of commercial accounting standards.

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Information economy

A second set of issues concerns the impact of information technology on the economy and society. This ranges from issues over industrial classification (the differences between the North American Industry Classification System and the International Standard Industrial Classification of All Economic Activities, for instance), definitions of the information and communication technology sectors and of electronic commerce, the identification of indicators appropriate to the new policy issues and the collection of data, to name only four aspects. There is extensive analytic and policy work going on throughout OECD on electronic commerce, and this was the subject of a ministerial conference held at Ottawa from 7 to 9 October 1998. The importance of work on measurement and quantitative analysis in this area was stressed as a priority by ministers. A working party on indicators for the information economy is actively pursuing statistical work, and will next meet on 21 and 22 April 1999. A great deal of material is already available on the OECD Web site at http://www.oecd.org/ dsti/sti/it/index.htm. The division of OECD responsible for work in this field — the Information, Computer and Communications Policy Division — would be prepared to host and moderate an electronic discussion group on this topic as one means of taking the work forward.

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Other issues

There is then a third set of issues identified in the United Kingdom Office for National Statistics paper that are more disparate. These are:

(a) Consider the application of disaggregated input-output to capacity measurement;

(b) Review the role of external satellite accounts in welfare measurement;

(c) Design a comprehensive framework for different satellites;

(d) Discuss with policy makers and analysts the likely development of policy concerns;

(e) Seek ways to restore confidence in national accounts by expanding the strengths and limitations of the accounts.

These issues do not lend themselves to coverage in a single electronic discussion group. Some may indeed be better incorporated in other city groups or other forums. The Commission is invited to consider the priority to be attached to these and the best way of developing solutions to these concerns.

V. Ottawa Group on Price Indexes

Purpose

The Ottawa Group was created to provide a forum for specialists to share their experiences and discuss research on crucial problems of measuring price change. Without avoiding theoretical issues, the focus of the Group is on applied research, particularly though not exclusively in the area of consumer price indices. Participants are specialists and practitioners who work for or are advisers to statistical agencies in different countries or international organizations.

Year organized

1994.

Participants

Members of statistical offices of Australia, Brazil, Canada, Chile, Denmark, Finland, France, Iceland, Israel, Japan, the Netherlands, New Zealand, Norway, Spain, Sweden, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Eurostat and the Organisation for Economic Cooperation and Development have attended at least one meeting, as have other experts from these or other countries.

Meetings (approximately annual)

Ottawa, 31 October to 3 November 1994.

Stockholm, 15 to 17 November 1995.

Voorburg, the Netherlands, 16 to 18 April 1997.

Washington, D.C., 22 to 24 April 1998.

Topics considered

Fundamental problems of measurement, particularly at the micro-level, have been constant themes. These include estimation (for example, the adoption of the geometric mean at the first step of calculation), sampling and the treatment of quality change in all its manifestations. Questions of bias were considered explicitly at the 1994 and 1997 meetings. The different requirements of indices for different purposes, such as between inflation measurement and for compensation, have been discussed at more than one meeting. Other topics covered include certain difficult areas of consumer price indices, such as health and financial services, survey methodology and management, and the growing availability of electronic sales databases (scanner data).

Products

Papers and proceedi gs of the meetings are published.

Planned activities

Next meeting, Reykjavik, 25 to 27 August 1999.

The planned agenda is to focus on two topics, as set out below.

Topic 1. Treatment of quality change in price indices for durable goods

The session will be principally devoted to the use of different techniques and procedures dealing with quality changes in durable goods. The papers and the discussion should refer as much as possible to concrete cases of treatment that could be extrapolated to some broader classes of durable goods.

Some more general issues will be discussed as well, possibly at the beginning of the session. For example, the effect of the use of various conceptual approaches in measuring price change of durable goods (acquisition, disbursement, user's cost) on the problem of their quality changes should be examined.

Topic 2. Different concepts of price indices serving different purposes

A large part of this session will be devoted to the question of whether consumer price indices that are intended to measure inflation, to escalate incomes or to deflate personal consumption should have the same philosophical base. Practical repercussions of various choices will be discussed as well.

The second part of this session could deal with the question of when it is better to estimate price change directly and when indirectly (implicitly) from volume measures. This question concerns producer price indices more than consumer price indices. It would be desirable if not only concrete examples were shown but also those broader categories of goods and services to which the same answers could apply.

Subsequent meetings, to be held in 2000 in Australia, and in 2001 are expected to concentrate on measurement issues particular to consumer services.

Expected future products (dates)

After future meetings, the proceedings will include a summary of the discussions, and a report of recommendations where agreement can be reached. The meetings will focus on a small number of topics in order to

concentrate the preparatory work and the discussions. The first report will follow the meeting to be held in Iceland in 1999.

A Web site for the Ottawa Group is under construction and should be ready by November 1998.

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VI. Paris Group on Labour and Compensation

Purpose

To examine, assess and reconcile the various sources of information used to measure labour market conditions and compensation, particularly in the context of the deregulation of labour markets and structural unemployment; and to contribute to improving concepts and their implementation, as well as the construction of new indicators.

Year organized

1997.

Participants

Actual participants: Australia, Canada, Finland, France, Netherlands, Poland, South Africa, Switzerland, United Kingdom of Great Britain and Northern Ireland, United States of America, the International Labour Organization, the Organisation for Economic Cooperation and Development (OECD), Eurostat.

Potential participants: Argentina, Germany, Japan.

Meetings

Paris, 27 and 28 November 1997.

London, 6 and 7 July 1998.

Paris, autumn 1999.

Topics considered

1. Key labour market indicators, labour market dynamics, reconciliation of estimates of employment (and unemployment) from different sources, work duration.

2. Earnings and labour costs.

Products

Scientific report(s): Institut national de la statistique et des études économiques (INSEE) France, in February 1999.

Internet site animation by end of 1998 (INSEE, OECD).

Planned activities

1. To analyse the papers and the discussions of the London meeting, and to elaborate a synthesis of the problems raised and ways to solve them.

2. To examine the feasibility of producing data on labour force flows by means of short duration data.

Expected future products (dates)

Limited series of labour force flows for OECD and some countries, by end of 1999.

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VII. Round Table on Business Survey Frames

Purpose

To provide a forum for the exchange of views and experiences and the conduct of joint experiments bearing on the development, maintenance and use of sampling frames for business surveys (business registers). The Round Table is an informal body and participation is on a voluntary basis. Participants, however, are required to contribute to the

programme of the meeting. The Round Table's mandate does not emanate from a formal body, but on the basis of its discussions and/or experiments, it may make a recommendation to a formal body (e.g., the Statistical Commission) concerning, for example, the consideration/adoption of certain practices or standards.

Year organized

1986.

Participating national statistical agencies (1998 meeting)

Canada, Denmark, European Communities (Eurostat), Finland, France, Germany, Hungary, Italy, Japan, Netherlands, New Zealand, Portugal, Sweden, United Kingdom of Great Britain and Northern Ireland, United States of America.

Meetings (held annually)

First meeting: Ottawa, May 1986.

Most recent meeting: Helsinki, 28 September to 2 October 1998.

Topics considered

How to improve the quality of business surveys; the quality of business frames; business demography; globalization and business registers; integration/comparability of business statistics within and across statistical agencies; technology trends; small businesses; the use of administrative data; and the definition and classification of business groups and units, and their representation on statistical registers.

Products

Technical papers produced and discussed at the first nine meetings are available on a CD-ROM.

The host agency updates an Internet site with the most recent documentation after each meeting.

Planned activities

Next meetings: Paris, October 1999

New Zealand, October 2000

Washington, D.C., October 2001

Expected future products (dates)

The reports and papers from the Helsinki meeting will be available on the Internet as of 30 November 1998 at <www.stat.fi/roundtable>. An updated CD-ROM, including the reports and papers from all 12 meetings, will also be available on 30 November 1998.

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